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Global Disease Fund to Be Strict For Better Chance to Get Results

By Mark Schoofs and Michael M. Phillips
Staff Reporters of The Wall Street Journal

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Poor and beset with the world's biggest tuberculosis epidemic, India seemed a perfect candidate for free TB drugs offered through the World Health Organization. But, over the past year, the WHO has turned down India's request -- twice.

People familiar with the situation say India couldn't convince the WHO that it had a viable plan to bring more patients under directly observed therapy, a method that achieves high cure rates by ensuring that TB patients take their medicine properly.

And India isn't the only country that has had trouble making the grade. Of the 25 nations that have applied for free TB drugs, only 16 have so far been approved.

It is that kind of tough love that the much grander Global Fund to Fight AIDS, Tuberculosis, and Malaria plans to adopt as it writes its first checks in the next two months. United Nations Secretary-General Kofi Annan called for the creation of the Global Fund last April. Just two weeks ago, the Global Fund issued its first request for project proposals, and today and tomorrow the Senate will hold hearings on the topic, including how the fund plans to enforce its standards, with Mr. Annan himself briefing senators apart from the hearings. Tomorrow's Senate hearing will include testimony from Peter Piot, executive director of UNAIDS, who is sure to be questioned about how the Global Fund will ensure its money is well spent.

Most top Bush administration officials and lawmakers no longer need to be convinced of the urgency of addressing diseases that kill about six million people a year. But U.S. officials do need to be convinced that their two-year, \$500 million proposed pledge for the Global Fund won't disappear down a global rathole of corruption and inefficiency.

The organizers of the Global Fund know they must hold themselves to the highest medical and financial standards or run the risk that the almost \$2 billion pledged world-wide so far won't be replenished, let alone increased. Worse, the remarkable international momentum built up over the past three years to fight these sweeping epidemics could grind to a halt. "There's a lot riding on this," says Sen. Bill Frist (R., Tenn.), the only doctor in the Senate and a leading proponent of American aid to help stem epidemics in poor nations.

WHO's Stop TB Partnership is just one of the international health programs that impose tight standards and serve as models for the Global Fund. The Global Alliance for Vaccines and Immunization, whose partners include WHO, UNICEF, multinational drug companies and the Bill & Melinda Gates Foundation, has rejected many countries whose applications are deemed inadequate. Those whose are accepted must, in essence, sign a contract saying how many additional children will be immunized using GAVI aid. If countries don't reach that target, GAVI withholds additional cash and can stop sending vaccines.

The Gates Foundation, through GAVI, pioneered aggressive accounting practices in poor countries, including unannounced audits of programs receiving assistance. The foundation donated \$100 million to the Global Fund, and a representative from the Gates Foundation, Helene Gayle, sits on the Fund's board of directors. "Just because you need the money, we're not giving it to you unless you can show you can do something with it," says Dr. Gayle. "That's very different from the way the U.N. has worked [in the past], which is almost an entitlement system."

Proposals to the Global Fund will be vetted by a 17-member panel of experts, who will evaluate the public-health merits of the proposed projects as well as their fiscal safeguards. "We envision a level of fiscal

accountability and a level of substantive accountability -- meaning results -- that's unheard of in international development assistance," a Bush administration official said.

India's health secretary, J.A. Chowdury, couldn't be reached for comment, and WHO officials won't discuss India's TB-aid application. They say, however, that with U.N. help, India's TB program has improved enormously, and the country is now on the verge of qualifying for free drugs.

Critics of the free-drug program argue that the U.N. underestimated the effectiveness of India's TB program. But even those critics concede that the U.N. stood firm. "Certainly it's an example of the U.N. saying no to a powerful country," says one veteran TB expert with knowledge of the case.

The strict TB policy isn't designed just to persuade skeptical lawmakers in rich countries to loosen the purse strings. If misused, TB drugs can create resistant strains of the disease. While malaria and HIV also can mutate to become resistant to drugs, tuberculosis programs have grown especially vigilant against drug resistance.

The strict WHO application process "is not there to create barriers to assistance," says Diana Weil, a senior public-health specialist at the World Bank and one of the experts who reviews TB-aid applications. But, "because it's a fund that buys drugs . . . it is particularly important that it fit into a larger strategy."

The test of how well the Global Fund puts its lofty goals into practice could come soon. Fund organizers plan to dole out the initial round of grants in April, on the first anniversary of Mr. Annan's call for its creation.

The rush to show results, however, has drawn criticism of its own. The request for proposals, issued at the end of January, gives would-be recipients barely a month to draft their plans. But if the Global Fund had allowed more time to prepare proposals, "we would have gotten criticism for being too slow," says Anders Nordstrom, the Global Fund's acting executive director. "We had to move now. People are dying."

Rachel Zimmerman contributed to this article.

Donors' List

Top pledges to the Global Fund to Fight AIDS, Tuberculosis and Malaria. The fund now totals nearly \$2 billion. Figures in millions

United States	\$500
Italy	\$200
Japan	\$200
United Kingdom	\$200
Germany	\$130
France	\$130
The Netherlands	\$116
European Commission	\$103
Canada	\$100
Bill and Melinda Gates Foundation	\$100

Source: Global Fund

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